BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001 SEP 8 12 50 PM '97

RECEIVED

POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

Postal Rate and Fee Changes,

1997)

Docket No. R97-1

OFFICE OF THE CONSUMER ADVOCATE INTERROGATORIES TO THE UNITED STATES POSTAL SERVICE (OCA/USPS-44-53) September 8, 1997

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997, are hereby incorporated by reference.

Respectfully submitted,

GAIL WILLETTE

Director

Office of the Consumer Advocate

Shelly A. Dreifuss SHELLEY S. DREIFUSS

Attorney

OCA/USPS-44. In Docket No. MC95-1, the Postal Service filed USPS Library Reference MCR-82, a Reply Mail Study, prepared December 4, 1992.

- a. Has the Postal Service updated this study? If so, please provide an updated copy. If not, please explain why not.
- b. The report indicated:

A small percentage of reply mailers contribute the majority of processing problems. This means that most of these problems could be eliminated by working with the few mailers with the worst problems at each destinating GMF or nationally. However, this would require development of a formal mechanism to identify these mailers and their problems, and then to forward this information to the appropriate people for action. (Emphasis in the original)

Docket MC95-1, USPS library reference MCR-82 at 1.

Has a formal mechanism to identify these mailers and their problems been established? If so, please explain how the formal mechanism operates. If not, please explain why one has not been developed.

c. USPS library reference MCR-82 at 1 also notes that

20% of analyzed reject mailpieces had problems to which the Postal Service contributed. For example:

- 13% of rejected mailpieces had FIM interference caused by the postage, mainly meter strips or wide stamps.
- 23% of rejected postcards, most of which met DMM thickness specifications, were too flimsy.
- 16% of legitimately-placed address-block barcodes had interference caused by the cancellation mark.

Do these problems still cause mailpieces to be rejected? If so, what steps is the Postal Service taking to resolve the problems? If these reject

problems no longer occur, please explain how the problems were resolved.

OCA/USPS-45. In Docket No. MC95-1, USPS library reference MCR-82 at 18-19 says in reference to USPS Official Mail, "Relax the requirement that all outgoing mail be prebarcoded. The addressee will still see a barcoded mailpiece because it will be processed on a postal MLOCR. Headquarters staff are postal labor also. Prebarcoding is generally not cost-effective for, and was never intended for, single piece mail."

- a. Did the Postal Service have a requirement that all its outgoing mail be prebarcoded? If so, please explain why. If not, please explain the quote.
- b. Does the Postal Service currently have a requirement that all its outgoing mail be prebarcoded? If not, please explain why not.
- c. In the Reply Mail Study, why was prebarcoded mail not cost-effective for single piece mail?
- d. If prebarcoded mail is not cost-effective for single piece mail, please explain why the single piece PRM and QPRM proposals offer a 3-cent discount in Docket No. R97-1.

OCA/USPS-46. In Docket No. MC95-1, USPS witness Pajunas was asked, "Companies know that barcoded mail is sorted by high-speed machines with a very high rate of accuracy. You would agree with him, wouldn't you . . . ?" Tr. 5/1572. In response to Chairman Gleiman's, question, witness Pajunas responsed, "Yes." Is

barcoded mail sorted by high-speed machines with a very high rate of accuracy? If not, please explain what conditions have to be altered to improve the accuracy rate.

OCA/USPS-47. Has the Postal Service updated the 1980 Nonhousehold Mailstream Study? If so, please provide a copy. If not, please explain why one has not been conducted.

OCA/USPS-48. For FY 95 and FY 96, please provide the volume of single-piece First-Class Mail that was FIM tagged. If you are unable to provide the volume, please explain.

OCA/USPS-49. Please break down the volumes provided in OCA/USPS-48 by FIM type (A, B, C, D). If you are unable to provide a break down of the volumes, please explain.

OCA/USPS-50. What proportion of courtesy reply envelopes processed by the Postal Service in FY 95 and FY 96 had a FIM C? What proportion of courtesy reply envelopes processed by the Postal Service in FY 95 and FY 96 had a FIM D? If you are unable to provide the information, please explain.

OCA/USPS-51. In preparing the PRM and QBRM proposal, what estimates were developed by Postal Service personnel on the cost impact to participants who must reprint their reply envelopes to meet Postal Service PRM and QBRM specifications? If

no estimates were developed please explain. If estimates were prepared, please submit all related documents.

OCA/USPS-52. For First-, second and third-class (or Standard A) mail, please provide separately for presort, nonpresort CEM and nonpresort non-CEM the FY 95 and FY 96 delivery point sequence (DPS) processing reject rates caused by each of the following:

- a. shifts in the window envelope's address insert,
- b. mail pieces are too flimsy,
- c. pieces have open edges,
- d. pieces have "other physical problems" (please specify each problem), and
- e. pieces have a non-delivery point sequence address.

OCA/USPS-53. If you are unable to provide some of the individual reject rates requested in OCA/USPS-52, please provide the FY 95 and FY 96 DPS reject rates for the following:

- a. shifts in the window envelope's address inserts,
- b. flimsy mail pieces,
- c. piece has open edges,
- d. piece has "other physical problems" (please specify each problem), and
- e. piece has a non-delivery point sequence address.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

Shelly A. Drufuss SHELLEY S. DREIFUSS

Attorney

Washington, D.C. 20268-0001 September 8, 1997